

Re-initiating Work with Sargent & Lundy

1. For GGS:

Have Sargent & Lundy (S&L) immediately start work under the small jobs task to re-initiate the GGS MPCE engineering planning work. While the work is beginning, develop a detailed proposal for all support activities through the award of the contracts. The detailed proposal is needed by mid-April 2011 such that it can be taken to the May 2011 Board Meeting for authorization.

- a. Reassemble as many of the previous S&L key team members as is possible to re-initiate the work.
- b. Use the following assumptions:
 - i. Initially, assume for now that the scope is Activated Carbon Injection (ACI) and wet FGD for each GGS unit. Note: The final selected equipment will depend on how to best meet the requirements of the new Mercury/Utility Boiler MACT rule.
 - ii. Given the time frames involved, assume single EPC for wet FGD islands and chimneys with a few other contracts, including a General Works Contract, for the remaining activities.
 - iii. Schedule is EPC contract award by end of 2011 with full compliance date of 3Q2015. This time frame will allow for two Spring outages for each unit, although the Spring 2012 outage for Unit 2 will be very close to contract award date. To meet these dates, the bid documents must be ready for issue by August 2011. Also, note that an EPC contract will require an Engineering Cert to be authorized by the Board. This instrument requires three months to obtain and should be in place by August 2011, which means it needs to be take to the Board no later that the June Board Meeting.
- c. Based on previous work and the assumptions noted above, develop an updated, detailed cost estimate for the entire project by July 1, 2011. This cost estimate will be used to obtain funding for the project.
- d. This project may include certain engineering services for GGS Unit 2 Combustion Optimization. Should other engineering firms be used, they may later be precluded from bidding on the MPCE EPC contract due to conflict of interest.

2. For Sheldon Station:

S&L should include in the aforementioned detailed proposal engineering planning work for Sheldon Station to meet the requirements of the Mercury/Utility Boiler MACT rule, to include the following:

- a. Perform a “quick” evaluation of emissions control options for ~10-15 year asset life. Do not include FGDs (wet or dry) or SCRs.
- b. From the evaluation, select the optimum technology.
- c. Perform detailed engineering work for the selected technology.
- d. Develop procurement and installation contracts.
- e. Assist with selection of successful bidders and procurement/installation activities.
- f. Schedule is to achieve full compliance by 3Q2015.